

State of Alaska FY2005 Governor's Operating Budget

Department of Health and Social Services Subsidized Adoptions & Guardianship Component Budget Summary

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Component: Subsidized Adoptions & Guardianship

Contribution to Department's Mission

The Subsidized Adoption & Guardianship program facilitates permanent placements in adoptive homes or stable guardianships for the increasing number of children in state custody whose special needs make them hard-to-place. Adoption is viewed as the most permanent placement for a child and is therefore generally the preferable option.

Guardianships are considered for children who cannot be freed for adoption, but for whom a reasonably permanent home can be provided through guardianship. This is often the best choice for children who cannot live with their parents but continue to have an important emotional tie with their families that should not be severed.

Core Services

This component provides a permanent home to children that are in the permanent custody of the State and who are unlikely to be adopted without a subsidy. These are children that have been removed from situations of abuse or neglect and that have physical or mental or emotional disturbances which places them at high risk for subsequent abuse or neglect. The adoption or guardianship subsidy covers the costs for the child's special needs and is available to the family until the child reaches age 18.

This component's efforts also focus on permanency needs that include four deliverables: recruitment of homes for children who do not already have permanent homes; home studies on potential adoptive families; pre-adoption services for the child and family; and post-adoption services for up to one year after the final adoption or guardianship court hearing.

As of September 2003, 1,969 children were living in permanent homes provided under the Subsidized Adoption & Guardianship program.

FY2005 Resources Allocated to Achieve Results

FY2005 Component Budget: \$19,732,900	Personnel:	
	Full time	0
	Part time	0
	Total	0

Key Component Challenges

Address the High Number of Beneficiaries to be Served: When children leave foster care, their special needs are re-assessed to determine whether they will continue to need assistance through the Subsidized Adoption & Guardianship program. Approximately 95 percent of children exiting custody have special needs and continue to receive state benefits.

The Division has recognized for some time now that the level of disturbance and complexity of problems for children in custody is increasing. These factors make it difficult to find permanent adoptive or guardianship homes without a subsidy. It is preferable that the State provides a means for children to be given a permanent home with State funding than for the State to continue to be completely responsible for the child. The special needs of these children combined with budgetary constraints make this a challenging task at best.

Caseload Growth: The Subsidized Adoption & Guardianship program caseload continues to grow. In FY1999 the caseload grew by 14.9%, in FY2000 it grew an additional 13.9% and in FY2001 it rose 13.7%. Caseload growth in FY2002 was 18.8% and in FY2003 another 6.6%. The Office of Children's Services anticipates a 7% growth rate in FY2005 and is requesting additional funding to ensure continuity of subsidy payments.

Standardize Homestudy Process: A standardized approach to the homestudy writing process is necessary to ensure homestudy writers utilize the same procedures and processes in the completion of homestudy services for OCS children and families. The Division intends to provide additional training and instruction to all private homestudy writers. This will continue to occur through the Permanent Families for Adoptive/Guardianship Families Contract.

Advanced Adoptions Training: The Division plans to present Advanced Adoptions Training to OCS social workers. This training will further define and clarify the social workers' role in child and family preparation in the permanency process, expedite the adoption process and preclude children from lingering in foster care. The Advanced Adoptions Training has been expanded in FY2004 to include sessions that focus on the importance of the adoption process for children and families, recognizing and mitigating the problems with adoption disruption or dissolution, where adopted children return to the foster care system.

Significant Changes in Results to be Delivered in FY2005

The Office of Children's Services intends to increase services to children and families with the following change:

Increase in the Number of Adoptions and Guardianships: The Subsidized Adoption & Guardianship budget and FY2005 increment request is based on projected caseloads. The Department anticipates the number of children in the Subsidized Adoption & Guardianship program to increase by 8% in FY2005.

Permanent Families for Adoptive/Guardianship Children Contract: The Permanent Families Contract will allow adoption and guardianship homestudy services to children and families to be more streamlined. Additionally, services will be regionally based, with one service provider for each OCS service region. The contract prepares families for adoption of special needs children through the homestudy process. All children, regardless of legal status can be served through this contract.

Major Component Accomplishments in 2003

Moved Children From Foster Care to Permanent Homes: The Subsidized Adoption & Guardianship program provided permanent homes for 285 "hard-to-place" children that were in the permanent custody of the state.

Continued to Provide Community Grants: Since 1997, 981 children have been referred to two community grantees that provide assistance to adoptive families. As of September 2003, there have been 432 adoptions, 177 permanent guardianships and 225 children with adoption or guardianships in process. These children are in the state's custody and both of their parents' rights have been terminated.

Participated in the Alaska Adoption Exchange: In FY2003 the Division participated in the Alaska Adoption Exchange. The Alaska Adoption Exchange promotes earlier identification of children in the system waiting and potential families wanting them. The Exchange lists children in custody who are available now or soon will be available for adoption as well as potential adoptive families who are considered for placements of special needs children. The Adoption Exchange creates a mechanism for different OCS workers to know about other children and potential adoptive families in the state.

Statutory and Regulatory Authority

AS 25.23	Adoption
AS 25.23.190-240	Subsidy for hard-to-place child
AS 47.10.080	Judgments and orders
7 AAC 53 Article 2	Subsidized Adoption and Subsidized Guardianship Payments

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Subsidized Adoptions & Guardianship Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	658.9	350.5	739.6
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	16,231.4	18,032.2	18,993.3
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	16,890.3	18,382.7	19,732.9
Funding Sources:			
1002 Federal Receipts	6,118.9	6,526.0	7,005.3
1003 General Fund Match	3,152.0	3,152.0	3,152.0
1004 General Fund Receipts	7,619.4	8,704.7	9,575.6
Funding Totals	16,890.3	18,382.7	19,732.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
<u>Unrestricted Revenues</u>				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
<u>Restricted Revenues</u>				
Federal Receipts	51010	6,118.9	6,526.0	7,005.3
Restricted Total		6,118.9	6,526.0	7,005.3
Total Estimated Revenues		6,118.9	6,526.0	7,005.3

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	11,856.7	6,526.0	0.0	18,382.7
Proposed budget increases:				
-Projected 7% caseload growth for Subsidized Adoption and Guardianship	870.9	479.3	0.0	1,350.2
FY2005 Governor	12,727.6	7,005.3	0.0	19,732.9